World oil prices volatility need to be addressed. As an oil-importing countries, Indonesia are very vulnerable to oil price shocks through exchange rate fluctuations and fuel subsidies. This study aims to see the role of oil prices as an indicator in forming an early warning system model for Indonesian currency crises by developing a binominal logit model which estimates the predictive ability of economic indicators in a sample that covers the first quarter 1996 to fourth quarter 2009 period. The data used are WTI oil prices, real exchange rate, inflation rate, ratio of the money supply to international reserves and ratio of government spending to national output. As a result, several periods of currency crises that occurred in Indonesia have been identified. Furthermore, probability of a currency crises in Indonesia in 1996 -2009 was significantly affected by the rate of inflation and world oil prices.

**Keywords:** currency crises, logit model, oil prices